

Department of Energy Southeastern Power Administration Elberton, Georgia 30635-6711

## CATEGORICAL EXCLUSION (CX) DETERMINATION

PROPOSED ACTION: Proposed rate adjustment for the Kerr-Philpott System of Projects.

LOCATION: Kerr-Philpott System of Projects

**DESCRIPTION OF THE PROPOSED ACTION:** Southeastern Power Administration is proposing new rate schedules to replace existing rate schedules for Southeastern's Kerr-Philpott System. Existing rate schedules are approved through September 30, 2011. The new rate schedules would become effective October 1, 2010, or the first day of the month following interim approval.

The Kerr-Philpott System of Projects consists of two projects in the states of North Carolina and Virginia. Power is marketed in North Carolina and Virginia. Total Capacity available from the projects is 240,000 kilowatts. Of this amount, 195,600 kilowatts is allocated to preference customers.

Southeastern is proposing to increase rates in the Kerr-Philpott System by 15 percent. The proposed rate schedules include a true-up based on transfers to plant in service. The new rates would be effective for the period from October 1, 2010, to September 30, 2015.

CX TO BE APPLIED (from Section D, DOE NEPA Guidelines):

Appendix B4.3 - Rate changes for electric power, power transmission, and other products or services provided by a Power Marketing Administration that are based on change in revenue requirements if the operations of generation projects would remain within normal operating limits.

I have determined that the proposed action meets the requirements for the CX reference above. Therefore, I have determined that the proposed action may be categorically excluded from further NEPA review and documentation.

Issued:

Kenneth E. Legg, Administrator

Southeastern Power Administration

Date: 14 3 , 2010